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DRUG CONTROL

Narcotics Threat From Colombia Continues to Grow



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National Security and
International Affairs Division

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The Honorable Charles E. Grassley
Chairman, Caucus on International
Narcotics Control
United States Senate

The Honorable John L. Mica
Chairman, Subcommittee on Criminal Justice,
Drug Policy, and Human Resources
Committee on Government Reform
House of Representatives

In 1998, we reported on U.S. and Colombian efforts to address illegal narcotics activities in Colombia. We pointed out that both governments faced significant challenges in meeting the threat posed by drug traffickers and insurgent groups that support them.¹ As you requested, this report updates the narcotics situation in Colombia and highlights U.S. and Colombian efforts to address drug-trafficking activities in Colombia and the continuing challenges each government faces to combat these activities. Specifically, we examined (1) the nature of the drug threat from Colombia; (2) recent initiatives of the Colombian government to address the threat, and obstacles it faces; and (3) the status of U.S. efforts to assist the Colombian government in furthering its counternarcotics activities and reducing the flow of illegal narcotics to the United States. (A list of related GAO products on drug control issues in Colombia is at the end of the report.)

Results in Brief

Despite the efforts of U.S. and Colombian authorities, the illegal narcotics threat from Colombia has grown since we reported last year. Today, Colombia remains the primary source country for cocaine products for the U.S. market.

- For the third year in a row, coca cultivation has increased so that Colombia is now the world's leading cultivator of coca.

¹Drug Control: U.S. Counternarcotics Efforts in Colombia Face Continuing Challenges (GAO/NSIAD-98-60, Feb. 12, 1998).

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- More potent coca leaf is being grown within Colombia, which is likely to lead to an estimated 50-percent increase in cocaine production in the next 2 years.
 - Colombia is now the major supplier of heroin to the eastern part of the United States.
 - In the past year, the Colombian government has lost a number of battles to insurgent groups who, along with paramilitary groups, have increased their involvement in illicit narcotics activities and gained greater control over large portions of Colombia where drug-trafficking activities occur.

The government of Colombia has undertaken a number of initiatives to address the narcotics threat. These include the initiation of peace talks with the insurgents; the development of a national drug control strategy; the establishment of a joint military-police task force to combat drug traffickers; the development of a new counternarcotics unit within the Colombian army that will be fully screened for human rights abuses; and the implementation of legislative reforms on extradition, money laundering, and asset forfeiture. In 1998, these efforts led to the seizure of record amounts of cocaine and arrests of drug traffickers. However, illegal drugs from Colombia remain readily available in the United States.

Despite these initiatives, the government of Colombia faces a formidable challenge in overcoming a number of significant obstacles in addressing the narcotics problem. The Colombian military has several institutional weaknesses that have limited its capability to support counternarcotics operations. In addition, government corruption, budgetary constraints, and a weak judicial system have hindered the Colombian government's ability to reduce drug-trafficking activities.

The United States has had limited success in achieving its primary objective of reducing the flow of illegal drugs from Colombia. Despite 2 years of extensive herbicide spraying, U.S. estimates show there has not been any net reduction in coca cultivation—net coca cultivation actually increased 50 percent. The United States has also had difficulties supporting some counternarcotics activities in Colombia due to U.S. cutbacks in drug detection and monitoring support. Furthermore, over the years the Colombian military has reportedly been involved in abusing human rights, such as arbitrary detention, and as a result, U. S. legislation has restricted the provision of U.S. assistance to Colombian police and military units if there is credible evidence of human rights violations. Finally, the growing involvement and strength of insurgent groups in the areas where coca and opium poppy are grown complicate U.S. support for

counternarcotics activities. For example, the sharing of intelligence information with the Colombian military creates an operational and policy dilemma for U.S. officials in drawing a distinction between support for counternarcotics versus counterinsurgency activities.

Background

One of the goals of the U.S. National Drug Control Strategy calls for a 15-percent reduction in the net flow of illegal drugs from source countries, including Colombia, by 2002. To achieve this goal, the United States has provided substantial assistance to Colombia in order to (1) disrupt and dismantle drug-trafficking organizations, (2) reduce the availability of drugs through eradication and enforcement efforts, and (3) strengthen Colombian institutions to enable them to support a full range of counternarcotics activities. This strategy recognizes the importance of the government of Colombia's gaining control of the area where most drug-trafficking activities occur and expanding counternarcotics support to the Colombian military to enable it to improve its counternarcotics capabilities.

Data provided by the Departments of State and Defense indicate that between fiscal year 1990 and 1998, about \$625 million in U.S. counternarcotics assistance has been provided to the Colombian National Police (CNP) and the Colombian military for equipment, such as helicopters and fixed-wing aircraft, weapons and ammunition, logistical support, and training. In October 1998, the Congress authorized another \$2.6 billion over a 3-year period to enhance international eradication, interdiction, and crop substitution efforts.² Of this amount, the Congress appropriated \$690 million for fiscal year 1999. According to the State Department, \$173.2 million has been earmarked to support CNP and military counternarcotics initiatives. The funds will be used for procuring six Black Hawk helicopters, ammunition, and weapons for the CNP; upgrading the capabilities of CNP UH-1H helicopters; and enhancing the capabilities of the Colombian Air Force. According to the State Department, the CNP should begin receiving this assistance in mid-1999.

Last year we reported that Colombia was restricted from receiving some counternarcotics assistance as a result of the President's decisions to decertify Colombia in 1996 and 1997 because it was not fully cooperating

²The Western Hemisphere Drug Elimination Act (Title VIII of Division C of P.L. 105-277).

with the United States in reducing drug trafficking.³ This restriction was lifted in 1998 when the President decertified Colombia but granted a "vital national interests waiver" that allowed Colombia to continue receiving counternarcotics assistance. On February 26, 1999, the President certified that Colombia was fully cooperating with the United States in its counternarcotics efforts.

The Nature of the Drug Threat From Colombia

The drug-trafficking threat from Colombia has increased over the past several years—coca cultivation has increased by 50 percent since 1996, cocaine production is projected to rise by 50 percent, and Colombia has become the primary supplier of heroin to the eastern United States. The challenge of reducing drug-related activities has become more difficult as two insurgent groups, the Colombian Revolutionary Armed Forces (FARC) and the National Liberation Army (ELN), have expanded their involvement in drug trafficking while paramilitary groups have stepped up their illegal narcotics operations.

In August 1998, the U.S. embassy in Colombia reported that although the Colombian government continues to disrupt drug-trafficking activities of the major drug cartels, there has not been a net reduction in processing or exporting refined cocaine from Colombia or in cocaine availability within the United States. According to the Drug Enforcement Administration (DEA), several billion dollars flow into Colombia each year from the cocaine trade alone. This vast amount of drug money has made it possible for drug traffickers to gain unprecedented economic, political, and social power and influence in Colombia. Moreover, according to DEA, while two major groups (the Medellin and Cali cartels) dominated drug-trafficking activities during the late 1980s and early 1990s, today there are hundreds of smaller and more decentralized organizations. These groups are now capable of producing "black cocaine" that hinders detection and are

³Section 490 of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2291j), requires the President to certify by March 1 of each year which major drug-producing and transit countries cooperated fully with the United States or took adequate steps on their own to achieve full compliance during the previous year with the goals and objectives established by the 1988 United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances. If a country does not meet the statutory objectives, the President can either deny certification or grant a vital national interests certification, which recognizes that the requirement to use sanctions would threaten the vital national interests of the United States.

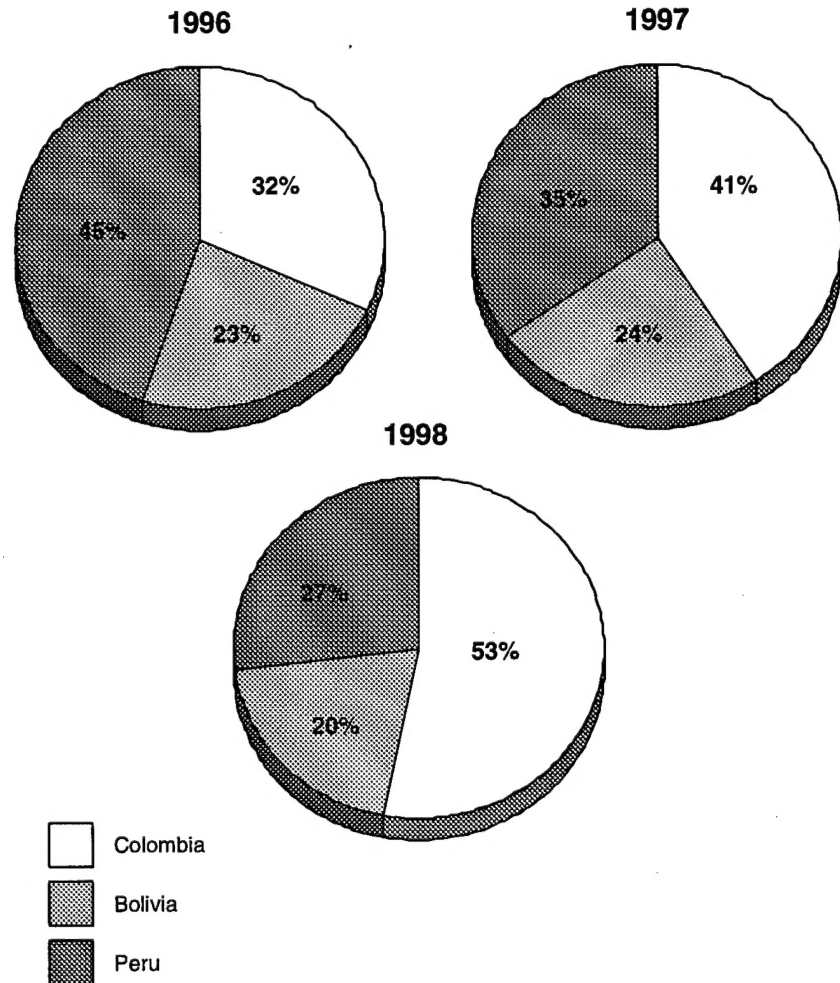
improving their transportation capabilities by manufacturing boats capable of carrying up to 2 tons of cocaine at high speeds.⁴

In March 1999, the State Department reported that Colombia remains the source country for over three-quarters of the world's cocaine. Moreover, DEA has recently reported that, in the past 4 years, there has been a dramatic shift in the U.S. heroin market from Southeast Asian to Colombian heroin, especially in large East Coast cities such as New York, Boston, Newark, Baltimore, and Philadelphia. According to U.S. estimates, Colombia produces about 6 metric tons of heroin annually.

The State Department also reported that total coca cultivation in the Andean region has substantially declined in Peru and Bolivia since 1996. However, figure 1 shows that Colombia has now become the primary source for coca cultivation, as drug traffickers have increased their coca cultivation in the areas that are not under governmental control.

⁴"Black cocaine" is created by a new chemical process used by drug traffickers to evade detection by drug-sniffing dogs and chemical tests. The traffickers add charcoal and other chemicals to cocaine, which transforms it into a black substance that has no smell and does not react when subjected to the usual chemical tests.

Figure 1: Trends in Andean Region Coca Cultivation, 1996-98



Source: Department of State.

In just 3 years, Colombia has surpassed Peru and Bolivia as the world's leader in coca cultivation. Gross coca cultivation estimates in Colombia increased from 67,200 hectares in 1996 to 101,800 hectares in 1998, a rise of about 50 percent. Most of this increase occurred in two areas—Caqueta and Putumayo. In addition to the expansion of cultivation in known coca-growing areas in southern Colombia, the United States has identified two new growing areas in northern Colombia—Norte de Santander and San Lucas. The new growing areas are, for the most part, controlled by the insurgents.

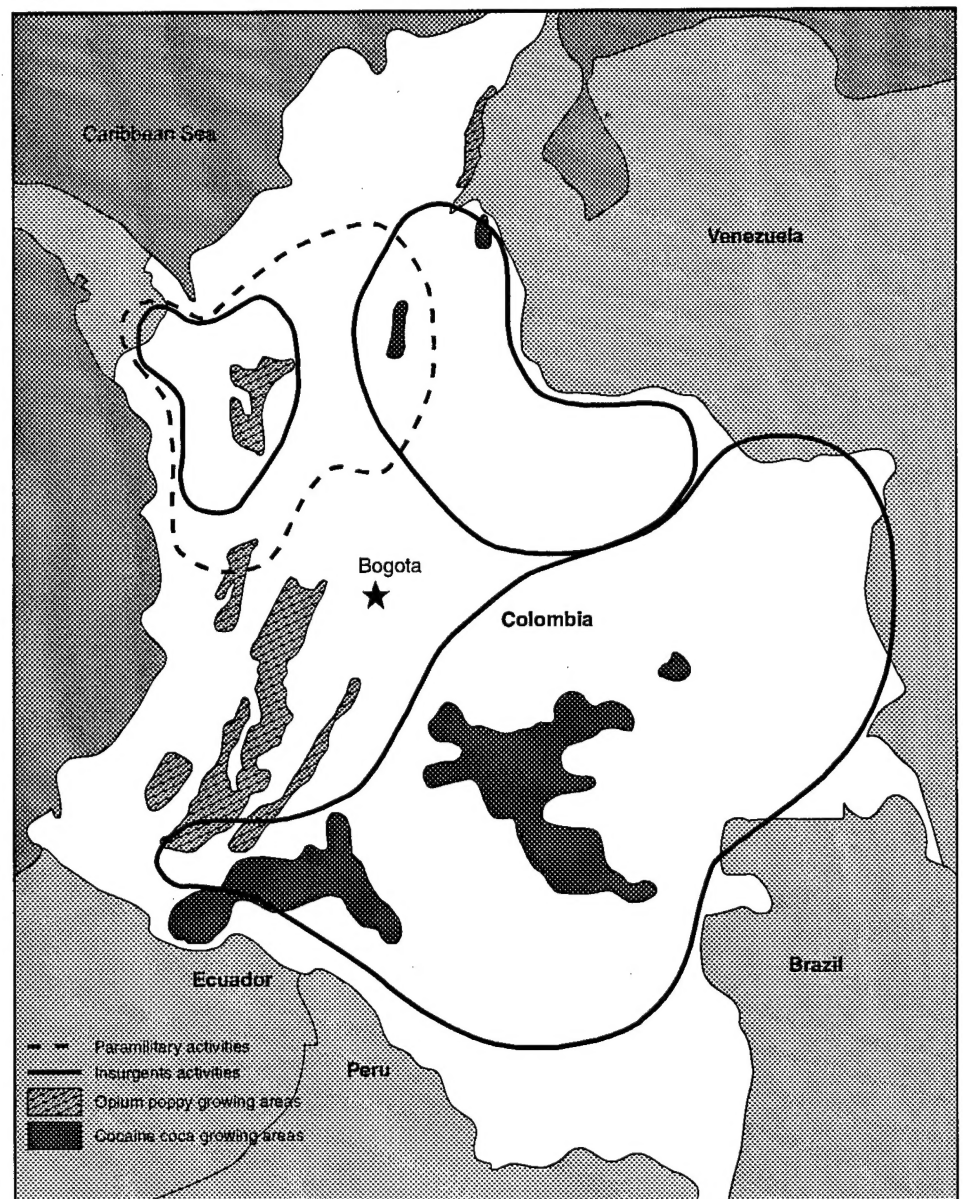
Increased Coca Yields May Expand Cocaine Production

In February 1999, a U.S. interagency report on Colombia concluded that new fields of coca leaf, similar to the type typically found in Bolivia and Peru, are now being grown in Colombia. The new coca is believed to be more potent, as it has a substantially higher cocaine alkaloid content than the type of coca most commonly found in Colombia. The study noted that this new coca, coupled with existing fields of coca, could increase potential Colombian cocaine production estimates from 1998 levels of 165 metric tons to between 195 and 250 metric tons, or as much as 50 percent, over the next 2 years. According to DEA, the production figure could be even greater if the cocaine-producing laboratories are more efficient at producing cocaine from the new coca leaf than their counterparts in Peru and Bolivia.

Greater Insurgent and Paramilitary Involvement in Drug-trafficking Activities

According to Department of Defense (DOD) and State Department officials, insurgent and paramilitary organizations are increasingly becoming involved in drug-trafficking-related activities and are controlling more territory. Active insurgent groups and their growing involvement in drug-trafficking activities over the past several years are complicating Colombia's ability to reduce drug trafficking. The most active insurgent groups are the FARC and the ELN. These two groups are estimated to have as many as 20,000 personnel. Additionally, the number of municipalities in the rural areas of Colombia in which the FARC has a presence has been increasing: the insurgents currently can exercise some degree of control over 40 percent of Colombia's territory, an area equal in size to Texas, east and south of the Andes (see fig. 2).

Figure 2: Areas of Colombian Insurgent, Paramilitary, and Drug-trafficking Activities



Source: U.S. agencies.

According to U.S. estimates, two-thirds of FARC units and one-third of ELN units are involved in some form of drug-trafficking activity. Some of the insurgents have assisted the drug traffickers in providing security for cocaine-processing laboratories and other drug-trafficking-related

activities and in storing and transporting cocaine within Colombia; they also appear to be engaged in localized opiate trafficking within Colombia. Although DOD has reported that the insurgents probably earn between \$500 million and \$600 million annually from these activities, State Department officials stated that this estimate has not been confirmed. U.S. embassy officials said that monies from the units involved in drug-trafficking activities support insurgent activities throughout Colombia.

According to U.S. officials, the current alliance between the insurgents and the drug traffickers poses a clear challenge to Colombia's ability to conduct effective counterdrug operations. The Colombian government has little or no control over most of the areas where drug-trafficking activities are occurring. DEA reported that the presence of FARC units in Colombia's eastern lowlands and southeastern jungle areas was especially troublesome. According to DEA, these areas include most of the coca and opium poppy cultivation and most of the major drug-trafficking production facilities.

Paramilitary groups emerged during the 1980s as self-defense forces in response to insurgent violence. Current U.S. estimates indicate that these groups have between 4,000 and 6,000 personnel. In 1998, DEA reported that certain leaders of some groups have become major drug traffickers. U.S. officials do not have estimates on the amount of income that these groups derive from illegal drug activities.

U.S. officials stated that the paramilitary groups operate with relative impunity in parts of northern Colombia. According to the U.S. embassy, paramilitary groups also appear to have established a permanent base in a major coca-growing area in southern Colombia where there is a heavy concentration of insurgents.

Colombia's Counter narcotics Efforts, and Obstacles Faced

The Colombian government has taken a number of steps to improve its counter narcotics efforts. It has entered into peace negotiations with insurgent groups; issued a counter narcotics strategy; developed a joint military and CNP task force and proposed the creation of a military counter narcotics battalion; achieved record cocaine seizures and continued to arrest drug kingpins; and pursued efforts to implement legislative reforms in extradition, money laundering, and asset forfeiture.

Despite these activities, the Colombian government faces obstacles in attempting to reduce drug-trafficking operations. These obstacles include

budgetary constraints, corruption, a military with limited capability, and a weak judicial system.

Peace Negotiations

After his 1998 election, in an effort to end over 40 years of violence, Colombian President Pastrana initiated peace negotiations with the FARC and the ELN on November 7, 1998. To bring the insurgents into the peace negotiations, the Colombian president established a demilitarized zone for the FARC, covering about 42,000 square kilometers. The initial proposal placed the zone off limits to CNP and Colombian military actions for a 90-day period, which was supposed to end on February 7, 1999.

However, in January 1999, the FARC broke off negotiations until April 1999 because paramilitary groups allegedly killed 130 inhabitants in a village while negotiations were occurring. According to the State Department, the FARC demanded that the Colombian government take more aggressive action against these paramilitary groups before further peace talks can occur. In February 1999, the ELN also broke off negotiations until a demilitarized zone in its primary area of control was established. This zone would include the two new coca-growing areas in northern Colombia. State Department officials stated that the government of Colombia has not taken any action on the ELN's request. Peace negotiations with the FARC resumed in April 1999 and have resulted in an agreed-upon, 12-point agenda. Moreover, the Colombian president extended the time frame for the demilitarized zone.

According to the State Department, the United States supports a process to achieve peace and break the linkage between the insurgents and drug traffickers. This, according to the State Department, should enable the CNP and the military to carry out their counternarcotics programs more effectively in the long term. However, U.S. officials have expressed concerns about the peace process and its potential impact on counternarcotics operations. According to U.S. officials, the government of Colombia lacks a clearly defined negotiating strategy. In addition, U.S. officials are concerned that U.S. and Colombian counternarcotics efforts could be limited by an indefinite extension of the 90-day cease-fire zone or by expanding the area of the demilitarized zone to include other drug-trafficking areas under insurgent control. State Department and DOD officials informed us that to fulfill promises the Colombian government made to the FARC, the governments of Colombia and the United States have agreed not to allow certain types of overflights, such as surveying coca-growing areas, through the demilitarized zone.

Counternarcotics Strategy

In September 1998, the State Department reported that an important factor in U.S. and Colombian counternarcotics cooperation would be the development of an integrated national counternarcotics strategy. The Colombian government issued an initial strategy, entitled "An Integrated Policy on Drugs for Peace," in October 1998. The strategy addresses the implementation of alternative crop development, eradication and interdiction efforts needed to reduce illegal drug production, legislation and institutional reforms to combat drug-trafficking organizations, demand-reduction programs to control Colombian consumption of illicit drugs, environment actions, and efforts to strengthen international cooperation in dealing with illegal drug-trafficking activities.

According to the State Department, the strategy provides a good framework because it closely parallels elements of the U.S. counternarcotics strategy, lays out a solid foundation for cooperation between various donors and the Colombian government, clearly describes Colombia's legal framework for attacking illegal drug-trafficking activities, and recognizes the social and economic costs of the drug trade in Colombia. While the State Department acknowledged that the strategy contained many positive elements, it also contained a number of weaknesses. For example,

- the strategy's emphasis on alternative crop development programs in the coca-growing areas of Colombia is based on the assumption that independent peasant farmers grow the majority of coca in small plots, rather than large-scale drug traffickers using hired labor;
- the strategy does not establish specific time lines or measures of effectiveness to evaluate the progress made in implementing alternative development programs and reducing the supply of illegal drugs;
- the strategy does not precisely define the military's role in reducing drug-trafficking activities;
- the strategy does not clearly identify how the supply reduction activities will be funded or what the funding requirements are for these activities; and
- the strategy does not develop a concept of coordination between law enforcement and alternative development efforts.

Moreover, DEA officials stated that the strategy did not address the extradition of Colombian nationals; improvements to prison security; mechanisms for protecting judges, prosecutors, and witnesses; and improvements to legislation covering asset forfeiture and money laundering. According to the State Department, the Colombian

government is aware of these concerns and is in the process of addressing them.

Colombian Military's Counternarcotics Initiatives

The U.S. and Colombian counternarcotics strategies recognize that the Colombian military needs to become more involved in counternarcotics operations, particularly in areas not under government control, if the flow of illegal drugs from Colombia is to be reduced. In response to military defeats in southern Colombia, the Colombian government created a Joint Task Force in March 1998 consisting of military and CNP units in the southwestern area of Colombia to retake control of the territory from the drug traffickers and insurgents. According to U.S. officials, the task force has supported CNP counternarcotics operations such as seizing cocaine laboratories.

Moreover, according to DOD, the Colombian government is in the process of establishing a counternarcotics battalion with an estimated strength of about 950 personnel. The battalion will be dedicated to conducting its own counternarcotics operations and supporting CNP operations. Currently, one company of the battalion is operational and has been fully screened by the State Department to ensure that there is no credible evidence of human rights abuses. According to the State Department, the battalion should be fully operational by January 2000. The U.S. Southern Command (SOUTHCOM) estimates that the battalion would require in excess of \$70 million worth of equipment and training to become fully operational. Of this amount, approximately \$60 million would be to provide helicopters. DOD recently designated \$3.5 million to provide counternarcotics equipment to the battalion, but it indicated that no decision had been made on the total level of U.S. support that will be provided.

Seizures and Arrests

The Colombian government has continued to make progress in seizing drugs and arresting key leaders of drug-trafficking organizations. In March 1999, the State Department reported that Colombia had seized a record amount of coca products in 1998—almost 57 metric tons—and had also destroyed 185 cocaine laboratories. Before that, the U.S. embassy reported, in August 1998, that the CNP had captured the heads of a number of key Colombian drug-trafficking organizations, including major figures of a key cocaine-processing organization. The State Department also reported in March 1999 that the CNP special investigative units, which conduct long-term investigations of drug-trafficking organizations, were credited with 63 arrests.

Legislative Initiatives

Over the past several years, the Colombian government has enacted several major pieces of legislation designed to reduce drug-trafficking activities. These include extradition, anti-money laundering, and asset forfeiture legislation. While Colombia's legislative actions represent positive steps, their implementation has been slow.

Extradition Legislation

In December 1997, the Colombian congress passed a bill to repeal the 1991 constitutional ban on the extradition of Colombian nationals but did not make it retroactive, thus blocking extradition for offenses committed before December 17, 1997. The United States wanted the law to be retroactive because it hoped to extradite to the United States drug kingpins from the Medellin and Cali cartels that were in prison on drug-related charges when the bill was passed. In response to this concern, the prior Colombian president filed a suit to remove this clause from the bill, but the Colombian constitutional court voted to uphold the nonretroactivity clause.

The United States made its first extradition request for a Colombian national in December 1998; however, to date the individual still has not been surrendered to the United States because he is awaiting a court hearing. Furthermore, the United States has requested the provisional arrest for extradition of four more Colombian national drug traffickers. According to the State Department, three of these individuals have been arrested and are awaiting a judicial decision by Colombia's Supreme Court, but the fourth remains at large.

Anti-money laundering Legislation

Money laundering has been a criminal offense in Colombia since 1995. In February 1997, the Colombian government enacted legislation that increased penalties for money laundering connected with drug trafficking. The statute includes penalties of up to \$50,000 for individuals and \$2 million for institutions, and possible jail sentences of 6 to 15 years. As a result of this legislation, the Colombian banking system strengthened "know your customer" rules to monitor large or suspicious transactions. Banks are now required to maintain records and to regularly report currency transactions exceeding \$7,000 as well as any "suspicious" transactions. For example, if multiple deposit transactions are made below the reporting requirement over a short period of time, they should be reported as "suspicious."

According to the State Department, more than 20 Colombian banks were under investigation for money-laundering activities in 1998; however, there

has been only one money-laundering arrest and no convictions. The State Department also noted that the Colombian bank inspectors are evaluating compliance with the reporting requirements. The United States is providing courses on investigating and prosecuting money-laundering crimes to the various Colombian officials responsible for implementing the anti-money laundering legislation and regulations.

Asset Forfeiture Legislation

In 1996, Colombia passed an asset forfeiture law designed to seize assets from individuals involved in illegal activities, including drug trafficking. In March 1999, the State Department reported that multimillion-dollar seizures had occurred against current and former major drug traffickers and their relatives from the Medellin and Cali cartels. Furthermore, over 40 forfeiture cases were pending against high-ranking drug traffickers. However, there has been only one case in which seized assets were actually forfeited.

According to the State Department, this dismal performance can be attributed to several factors, including the lack of political will on the part of the prior Samper administration; the corrupting influence of the drug kingpins trying to protect their assets; and Colombian government efforts to define and refine the administrative, bureaucratic, and legal procedures for the final forfeiture and disposition of assets. At least five major and several lesser government entities are involved in the process, and coordination among them is inadequate. According to the State Department, the current president has acknowledged the need to reform the process.

Obstacles Facing the Colombian Government

The Colombian government faces a number of obstacles in reducing drug-trafficking activities, including handling budgetary constraints, overcoming corruption, addressing military weaknesses, and strengthening its judicial system.

Budgetary Constraints

Severe budgetary constraints could limit the Colombian government's ability to support counternarcotics initiatives. In March 1999, the State Department reported that the Colombian government was unable to increase its counternarcotics commitment because its national budget was facing its worst crisis in decades, with annual deficits ballooning to 5 percent of gross domestic product. The report concluded that the Colombian government will have a difficult time funding counternarcotics operations and controlling the areas where illicit crops grow in 1999.

Corruption

Widespread corruption within all sectors of the Colombian government is a major factor affecting counternarcotics operations. In 1998, DEA reported that drug-related corruption existed in all branches of the government, within the prison system, and in the military. In March 1999, the State Department reported that drug-related corruption in all branches of the government continued to undermine Colombia's counternarcotics effectiveness. The report noted, for example, that in November 1998, U.S. Customs and DEA personnel searched a Colombian Air Force aircraft in Florida and found 415 kilograms of cocaine and 6 kilograms of heroin. Several Air Force officers and enlisted personnel were arrested in connection with the incident. Also, in March 1999, the State Department reported that President Pastrana had made eliminating corruption a major initiative of his government.

Military Capability

The Colombian military is hard pressed to provide security for key facilities throughout the country and simultaneously engage insurgents, drug traffickers, and paramilitary groups in rural areas. According to DOD, the Colombian military lacks a long-term strategy and effective leadership; suffers from poor morale; and has inadequate equipment, logistics, and training. In the past year, the Colombian military has suffered major defeats from the insurgents, and insurgent groups are moving into more of the territory where drug-trafficking activities are primarily occurring. Additionally, in October 1998, DOD officials at the U.S. embassy reported that a Colombian Army unit responsible for performing counternarcotics missions in southern Colombia did not control land communication and had conceded the use of the road network to the insurgents and drug traffickers. According to the Director of the U.S. Office of National Drug Control Policy, the recent offensives by the insurgents and the resulting military defeats suggest that Colombian security forces will be unable to conduct effective antidrug operations in regions where guerrilla forces dominate and control the area.

Weak Judicial System

According to the State Department, Colombia's weak judicial system continues to adversely affect its counternarcotics efforts. U.S. embassy personnel stated that less than 3 percent of all cases, including drug-related ones, are prosecuted in Colombia. These officials attributed Colombia's dismal prosecution rate to various inefficiencies in the investigative process and court backlogs. As a result, any crime, including drug trafficking, has a significant chance of going unpunished.

Challenges Facing U.S. Counternarcotics Efforts

A major goal of the U.S. counternarcotics strategy for Colombia is to reduce the availability of drugs. To do this, the United States concentrates its efforts on supporting eradication and interdiction activities of the CNP and the military. The United States faces several challenges in trying to achieve its objectives, including eradicating enough coca and opium poppy to reduce Colombia's net cultivation, providing adequate resources for detection and monitoring support, assuring that counternarcotics aid is not provided to Colombian military and CNP units where there is credible evidence that human rights abuses have not been addressed, and determining when it is appropriate to share information with the Colombian military on insurgent activities for planning counternarcotics operations.

Eradication Efforts

U.S. and Colombian efforts to eradicate enough coca and opium poppy to reduce the net cultivation of these crops have not succeeded to date. Figure 3 shows that, despite significant increases in spraying, only about 30 percent, or 35,400 hectares, of coca crop were eradicated out of 123,400 sprayed between 1996 and 1998.

Figure 3: Trends in Colombian Coca Cultivation and the Effectiveness of Aerial Eradication Efforts, 1996-98

Hectares

120,000

100,000

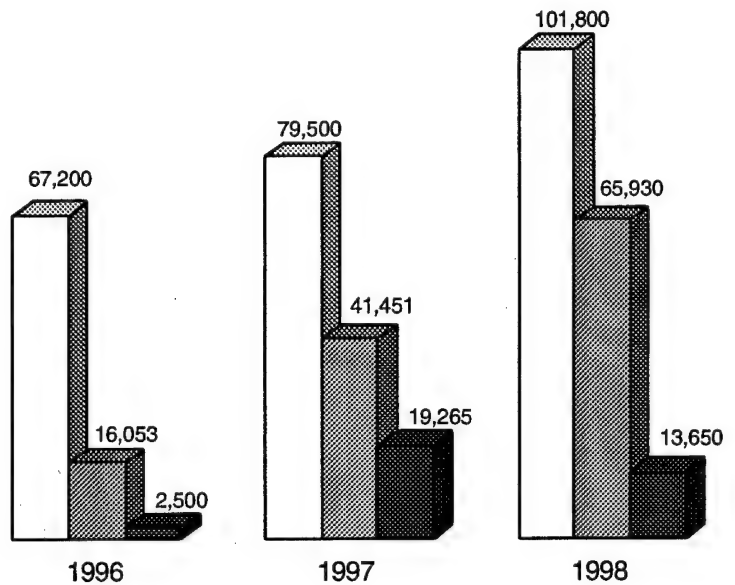
80,000

60,000

40,000

20,000

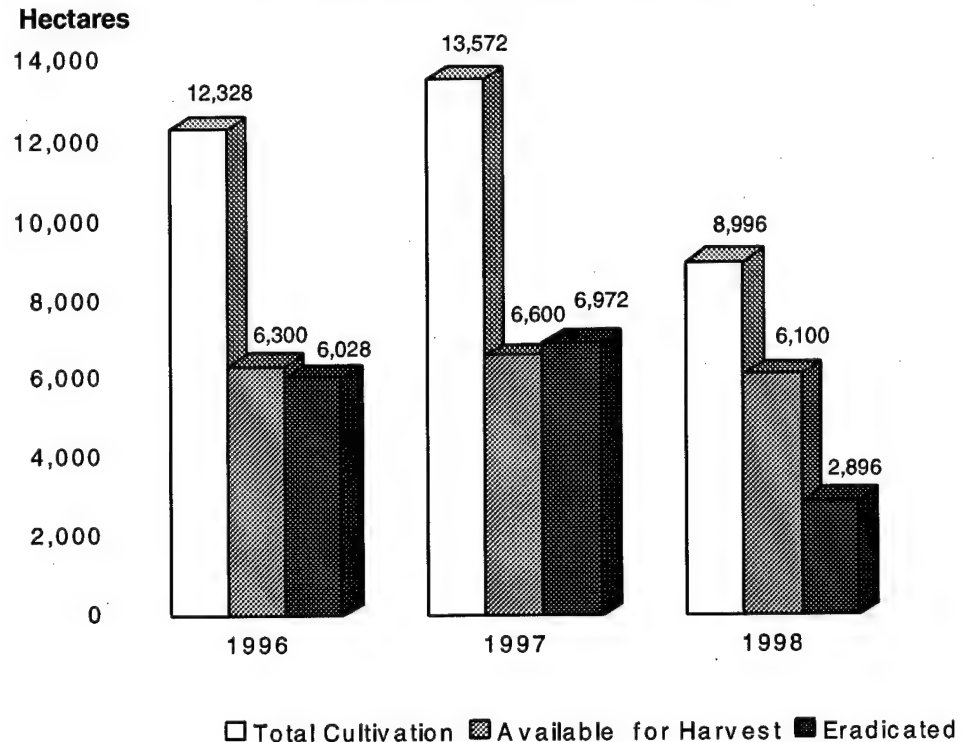
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□ Net Cultivation ▨ Reported Spray Activity ■ Coca Killed

Source: U.S. government data.

Figure 4 shows that opium poppy cultivation in Colombia has remained relatively stable.

Figure 4: Colombian Opium Poppy Cultivation and Eradication, 1996-98

Source: U.S. government data.

Beginning in October 1996, the State Department decided to significantly increase the U.S. level of support and participation in aerial eradication operations against coca and opium poppy. According to the State Department, the estimated costs of supporting aerial spraying operations for fiscal year 1999 could be as high as \$68 million, an increase of about 350 percent over the \$19.6 million actually spent in 1996. A significant portion of U.S. assistance to this effort is carried out by a U.S. contractor. Between 80 and 90 contractor personnel are stationed in Colombia on either a temporary or permanent basis. As a result of this effort, State Department data shows that 107,381 hectares of coca were sprayed during 1997-98, exceeding its goal of 50,000 hectares for this period.

Since 1996, nearly all spray activities have been conducted in two of the three primary coca-growing areas in Colombia. U.S. embassy officials stated that they would like to expand eradication operations during 1999

into the third primary coca-growing area, where U.S. estimates indicate that coca cultivation increased from 19,000 hectares in 1997 to 30,100 hectares in 1998. However, the Colombian government has not granted approval to begin spraying operations in this area. According to U.S. embassy officials, the Colombian government is hesitant to start a massive aerial eradication program without having alternative crop development projects in the area due to the potential economic impact that the loss of the coca crop would have on the farmers. These officials stated that eradication efforts could increase popular support for the FARC, which already controls most of the territory. According to the State Department, the United States will not support alternative development programs in areas until they are under government control.

The U.S. embassy began a concentrated effort to spray opium poppy in November 1998. The effort is designed to sustain spraying operations over time so that growers will find it uneconomical to continue cultivating opium poppy.

Reductions in Support for Detection and Monitoring

A second challenge facing the United States is providing sufficient detection and monitoring resources to support Colombian and U.S. counternarcotics operations in southern Colombia. The U.S. counternarcotics plan for Colombia includes efforts to increase detection and monitoring support from SOUTHCOM and the U.S. Customs Service. The support generally consists of providing aircraft and radar.

SOUTHCOM data, however, shows that DOD and U.S. Customs have not supplied the resources required to meet SOUTHCOM's detection and monitoring plans for the source zone countries, including Colombia, primarily because of competing demands to support higher priority missions, such as support to Bosnia and Kosovo. According to SOUTHCOM, the total hours devoted to drug detection and monitoring declined by about 16 percent between 1997 and 1998. Also, in 1998, U.S. Customs, for security reasons, withdrew two aircraft that had been stationed in Colombia over the past several years to track suspected drug-trafficking aircraft. U.S. embassy officials stated that, as a result of these shortfalls and reductions, it is now more difficult to follow suspect drug-trafficking aircraft after they are detected.

Moreover, SOUTHCOM officials stated that their ability to continue providing existing levels of detection and monitoring support could be further eroded with the closure of Howard Air Force Base in Panama City,

Panama, on May 1, 1999. To compensate for this, the Secretary of Defense, on April 16, 1999, approved a plan to open forward operating locations on two Caribbean islands (Curacao and Aruba) and in Manta, Ecuador. According to DOD, the forward operating location at Curacao and Aruba is operational, and Manta is expected to become operational by mid-June 1999.

**Balancing Human Rights
Concerns Against the
Provision of
Counternarcotics Aid to the
Colombian Military**

A third challenge facing U.S. counternarcotics efforts in Colombia is the balancing of human rights concerns about abuses within the Colombian military against the provision of counternarcotics aid to the Colombian military. Over the years, human rights organizations and the State Department have documented human rights abuses by the Colombian military, particularly by the Colombian Army. Human rights abuses have included disappearances, arbitrary detentions, kidnappings, and torture of civilians.

According to U.S. legislation, Colombia's security forces cannot receive U.S. counternarcotics assistance if there is credible evidence that a Colombian unit has committed gross violations of human rights unless the Secretary of State determines that effective measures are being taken to bring the responsible individual or individuals to justice.⁵ The State Department has established screening procedures to determine which Colombian units meet the requirements of this policy before providing U.S. counternarcotics assistance.

According to the State Department, all counternarcotics units of the CNP and the Colombian Air Force, Navy, and Marine Corps have passed the screening process. However, only three of six army brigades operating in the major drug trafficking areas have passed. Of the three units, two are actively involved in counternarcotics operations, and the other is minimally involved. U.S. embassy personnel stated that unless other army units pass the screening process, it will be difficult to provide the level of Colombian military support that the CNP needs to effectively reduce drug-trafficking activities.

⁵See the Foreign Operations, Export Financing, and Related Programs Appropriations Act 1999 (Sec. 568 of sec. 101 (d), Division A of P.L. 105-277). The Congress also included similar language in the Department of Defense Fiscal Year 1999 Appropriations Act (Sec. 8130 of P.L. 105-262).

Information sharing With the Colombian Military

A fourth challenge facing U.S. decisionmakers is the problem of when information regarding insurgents can be shared with the Colombian military. U.S. guidance, initially issued in June 1998, restricted the sharing of any information on insurgent capabilities and activities unless it is directly related to an approved counternarcotics operation. However, within the area where most drug-trafficking activities occur, U.S. embassy officials stated that the drug traffickers and the insurgents have become virtually indistinguishable. As a result, U.S. officials are faced with making a difficult decision regarding when and if information on insurgent activities should be provided to the Colombian military.

The following two examples demonstrate the dilemma that U.S. officials face in deciding whether to share information.

- In August 1998, Colombian insurgents destroyed a joint military and CNP base that was also used by U.S. contractor personnel for coca eradication operations. The U.S. embassy did not know if it could share information about the insurgents with either the CNP or the Colombian military because the information was not directly related to counternarcotics operations. The U.S. embassy requested approval from U.S. agencies in Washington, D.C., but by the time it had received approval, the information, according to U.S. embassy officials, was useless.
- U.S. embassy officials have decided to routinely provide intelligence information related to the insurgents to Colombian units under control of the Joint Task Force. According to these officials, the information is being used to plan counternarcotics operations in an area controlled by insurgents; however, they do not have a system to ensure that it is not being used for other than counternarcotics purposes.

U.S. officials informed us that new guidelines on information sharing were issued in March 1999. According to these officials, these guidelines recognize the increasing involvement of the insurgents in drug trafficking activities and their demonstrated abilities to attack counternarcotics operations, personnel, and infrastructure, and establish a better means to facilitate the exchange of information with the Colombian military on insurgent activities within the drug-trafficking areas.

Conclusions

The counternarcotics efforts of Colombia and the United States have resulted in record seizures of illegal drugs and the disruption of drug

trafficking organizations. However, there has been no reduction in the flow of cocaine or heroin from Colombia. It appears that the cocaine threat from Colombia has worsened since 1996 and could deteriorate even further within the next 2 years. Not only are coca cultivation and potential cocaine production likely to increase, but also Colombia is now the primary provider of heroin to the eastern United States. Moreover, insurgent and paramilitary organizations have increased their involvement in drug-trafficking activities, which has made it more difficult for the government of Colombia to conduct counternarcotics operations in the areas under insurgent and paramilitary control. Until the government of Colombia can gain control over territory where drug-trafficking activities are occurring, counterdrug operations will be difficult and dangerous, and pose a formidable challenge to the United States and Colombia in their attempts to reduce the flow of drugs from Colombia into the United States.

Agency Comments

DOD and State provided written comments on a draft of this report. Additionally, we discussed the draft report with DEA and the Office of National Drug Control Policy. DOD stated it had no objection to the report. State stated that it considers the report to be a good and balanced summary of the challenges facing the United States' counternarcotics program in Colombia. The other agencies agreed that the report accurately portrayed the narcotics threat from Colombia, and U.S. and Colombian efforts to address the threat. Each agency also provided technical comments which we incorporated as appropriate.

Scope and Methodology

To address the nature of the drug threat from Colombia, we received briefings and analyzed documents from U.S. law enforcement, intelligence, and military officials and reviewed documentation such as cable traffic, drug eradication and interdiction reports, and studies in Washington, D.C.; at SOUTHCOM in Miami, Florida; and at the U.S. embassy in Bogota, Colombia. To address Colombian and U.S. counternarcotics efforts and the challenges faced by both governments, we visited various agencies involved in antidrug activities in Washington, D.C.; Miami, Florida; and Bogota, Colombia. In Washington, D.C., we interviewed officials and reviewed planning, implementation, and related documents and reports concerning drug activities in Colombia at the Office of National Drug Control Policy; the Departments of State, Defense, the Treasury, and Justice; and other federal agencies. In Miami, we interviewed U.S. officials at SOUTHCOM and reviewed documents related to counternarcotics

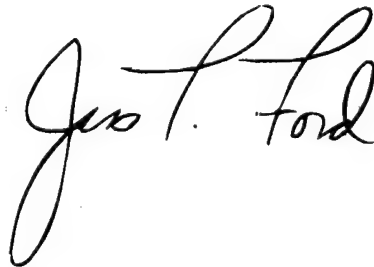
activities in Colombia. In Colombia, we interviewed U.S. embassy officials, including the Ambassador, and analyzed reports and documents of various agencies responsible for implementing U.S. counternarcotics objectives in Colombia. We also interviewed officials from the CNP and the U.N. Drug Control Program. Officials from the Colombian Ministry of Defense were not able to arrange a time to meet with us.

The information on Colombia's laws in this report does not reflect our independent legal analysis but is based on interviews and secondary sources.

We conducted our review between September 1998 and May 1999 in accordance with generally accepted government auditing standards.

We are sending copies of this report to other congressional committees; the Honorable Madeleine K. Albright, the Secretary of State; the Honorable William S. Cohen, the Secretary of Defense; the Honorable Lawrence Summers, the Acting Secretary of the Treasury; the Honorable Janet F. Reno, the U.S. Attorney General; the Honorable Barry R. McCaffrey, the Director, U.S. Office of National Drug Control Policy; the Honorable Thomas A. Constantine, the Administrator, DEA; and the Honorable Louis Freeh, the Director, Federal Bureau of Investigation. Copies will also be made available to other interested parties upon request.

If you or your staff have any questions concerning this report, please call me at (202) 512-4268. The major contributors to this report were Ronald A. Kushner, Allen Fleener, Ronald Hughes, Anthony Padilla, and Rona Mendelsohn.

A handwritten signature in black ink, reading "Jess T. Ford". The signature is written in a cursive, flowing style with a large initial "J" and "F".

Jess T. Ford, Associate Director,
International Relations and Trade Issues

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Abbreviations

CNP	Colombian National Police
DEA	Drug Enforcement Administration
DOD	Department of Defense
ELN	National Liberation Army
FARC	Colombian Revolutionary Armed Forces
SOUTHCOM	U.S. Southern Command

Comments From the Department of State



United States Department of State

Chief Financial Officer

Washington, D.C. 20520-7427

June 2, 1999

Dear Mr. Hinton:

We appreciate the opportunity to review your draft report, "DRUG CONTROL: Narcotics Threat from Colombia Continues to Grow," GAO Job Code 711362.

The Department of State considers the draft report to be a good and balanced summary of the challenges facing our counternarcotics program in Colombia. The Department separately provided technical corrections to GAO that were accepted and incorporated in the final document.

If you have any questions concerning this response, please contact Mr. Brian Bachman, Bureau of International Narcotics and Law Enforcement Affairs, Office of Latin America Programs (INL/LP), at (202) 647-8727.

Sincerely,

A handwritten signature in cursive script that reads "Bert Edwards".

Bert T. Edwards

cc:
GAO/NSIAD – Mr. Kushner
State/INL/LP – Mr. Bachman

Mr. Henry L. Hinton, Jr.,
Assistant Comptroller General,
National Security and International Affairs,
U.S. General Accounting Office.

Comments From the Department of Defense



OFFICE OF THE DEPARTMENT OF DEFENSE COORDINATOR
FOR DRUG ENFORCEMENT POLICY AND SUPPORT

1510 DEFENSE PENTAGON
WASHINGTON DC 20301-1510

26 MAY 1999

Benjamin F. Nelson
Director
International Relations and Trade Issues
National Security and International Affairs Division
U.S. General Accounting Office
Washington, D.C. 20548

Dear Mr. Nelson:

This is the Department of Defense (DoD) response to the General Accounting Office (GAO) draft report, "DRUG CONTROL: Narcotics Threat From Colombia Continues to Grow," dated May 13, 1999 (GAO Code 711362/OSD Case 1817).

The Department of Defense has reviewed the report and has no objection. Technical corrections were provided separately. The Department appreciates the opportunity to comment on the draft report.

Sincerely,

A handwritten signature in dark ink, appearing to read "Ana Maria Salazar".

Ana Maria Salazar
Deputy Assistant Secretary of Defense for
Drug Enforcement Policy and Support



Related GAO Products

Drug Control: Status of U.S. International Counternarcotics Activities (GAO/T-NSIAD-98-116, Mar. 12, 1998).

Drug Control: Counternarcotics Efforts in Colombia Face Continuing Challenges (GAO/T-NSIAD-98-60, Feb. 26, 1998).

Drug Control: U.S. Counternarcotics Efforts in Colombia Face Continuing Challenges (GAO/NSIAD-98-60, Feb. 12, 1998).

Drug Control: Delays in Obtaining State Department Records Relating to Colombia (GAO/T-NSIAD-97-202, July 9, 1997).

Drug Control: Observations on Elements of the Federal Drug Control Strategy (GAO/GGD-97-42, Mar. 14, 1977).

Drug Control: Long-standing Problems Hinder U.S. International Efforts (GAO/NSIAD-97-75, Feb. 27, 1997).

Review of Assistance to Colombia (GAO/NSIAD-96-62R, Dec. 12, 1995).

Drug War: Observations on U.S. International Drug Control Efforts (GAO/T-NSIAD-95-194, Aug. 1, 1995).

The Drug War: Colombia Is Implementing Antidrug Efforts, but Impact Is Uncertain (GAO/T-NSIAD-94-53, Oct. 5, 1993).

The Drug War: Colombia Is Undertaking Antidrug Programs, but Impact Is Uncertain (GAO/NSIAD-93-158, Aug. 10, 1993).

Drug Control: Increased Interdiction and Its Contribution to the War on Drugs (GAO/T-NSIAD-93-04, Feb. 25, 1993).

The Drug War: Extent of Problems in Brazil, Ecuador, and Venezuela (GAO/NSIAD-92-226, June 5, 1992).

The Drug War: Counternarcotics Programs in Colombia and Peru (GAO/T-NSIAD-92-9, Feb. 20, 1992).

The Drug War: Observations on Counternarcotics Programs in Colombia and Peru (GAO/T-NSIAD-92-2, Oct. 23, 1991).

Drug War: Observations on Counternarcotics Aid to Colombia
(GAO/NSIAD-91-296, Sept. 30, 1991).

Drug Control: U.S.-Supported Efforts in Colombia and Bolivia
(GAO/NSIAD-89-24, Nov. 1, 1988).

Drug Control: U.S. International Narcotics Control Activities
(GAO/NSIAD-88-114, Mar. 1, 1988).

Status Report on GAO Review of the U.S. International Narcotics Control Program (GAO/T-NSIAD-87-40, July 29, 1987).

Drug Control: International Narcotics Control Activities of the United States (GAO/NSIAD-87-72BR, Jan. 30, 1987).

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